

1959

CONGRESSIONAL RECORD — SENATE

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mately the 162d meridian of longitude on the west. Point Barrow, the northernmost point of land in Alaska and Barrow Village, the northernmost inhabited settlement in the United States, is approximately in the center of the northern boundary of the reserve.

When set aside in 1923 virtually nothing was known of the geology of the region or of the lithology of the sediments and a great part of the lands had never been explored. The only evidence of the presence of oil or gas was a single seepage near Cape Simpson where a small amount of oil seeped from a hummock of ice and ran down to cover a small lake with a scum of oil.

I am further advised that in the opinion of informed persons in the Department of the Navy the area is not suitable under present day conditions for a naval petroleum reserve even if large quantities of oil were known to exist there, primarily because of its location, climate, lack of transportation, and the great expense of exploration and development. In view of the high costs involved it would not be practicable to drill a large number of wells in a proven field in this region and maintain them in a standby status pending potential future need as has been done in the Elk Hills reserve. In Elk Hills, I am told, the Navy by merely turning the valves on suspended wells can turn into the existing pipelines to refineries at San Francisco and Los Angeles in excess of 150,000 barrels daily of additional oil whenever the Congress by joint resolution authorizes its production. This is a real and valuable reserve for the military.

It is well known that the Navy, from 1944 to 1953, endeavored to determine the potential value of its portion of this vast sedimentary basin lying north of the Brooks range—Pet 4—and expended nearly \$50 million in exploration for oil. After drilling 36 test wells and 40 core holes the Navy suspended operations and although no large oil fields were discovered, this meager amount of drilling in an area so large did not disprove the possible existence of large oil and gas fields in the many mammoth geological structures disclosed by both its geological and geophysical exploration. The Navy did determine the presence of both oil and gas in this geologic basin in which the sediments exceed 20,000 feet in thickness in the deeper parts. Due to budget limitations the Department of the Navy is reluctant to supply funds from naval appropriations for the further development of its naval petroleum reserves and neither the Navy nor the Congress has, at this time, any plans for further exploration or use of the lands in this petroleum reserve. A naval petroleum reserve to be of use in time of emergency must be fully developed and ready, as is the Elk Hills reserve, in order to serve its purpose. To hold a vast tract of land, such as that covered by this bill, idle and unused constitutes a waste and serves no useful purpose to the Government.

At the present time there is a great interest by the petroleum industry in the petroleum possibilities of several large

sedimentary basins known to exist in Alaska and large areas in each have been leased for oil and gas exploration. Private interests appear now to be interested in the Barrow Basin and ready to carry on the work of exploration so ably begun by the Navy.

The Alaska Petroleum & Gas Co., Inc., has recently obtained leases on the Gubik gas structure, a structure in which the Navy indicated commercial gas reserves may be developed. If further drilling proves that adequate gas reserves exist in the Gubik structure, a gas line will be built to furnish gas to Fairbanks, including the military installations in the area, with the result that great savings can be made in the present fuel costs in the area, both by civilians and the military. High cost of fuel is one of the principal reasons for high costs of living in Alaska, and particularly in the Arctic regions.

At the present time the only region in Alaska which enjoys the use of natural gas for fuel is at Point Barrow, where the Navy discovered the small South Barrow field, which supplies gas to its camp and to other Government installations in the area. Drilling in this field has not been sufficient to determine accurately the gas reserves.

On the Umiat structure, some 25 miles southwest of the Gubik structure, the Navy found a field of high gravity oil at shallow depth. While the five productive wells drilled in this field did not produce oil in quantities sufficient to warrant its development as a naval reserve, it may well be that further drilling would develop enough oil to warrant laying a pipeline to Fairbanks—particularly if it could be constructed in connection with a gas line from the Gubik field.

This bill is very important to the people of the new State of Alaska, and when passed and approved will enable the petroleum industry to take over and continue the exploration started by Navy. It will enable private interests to develop that part of the Gubik structure within Pet 4 which cannot now be leased and developed; it will permit further exploration of the South Barrow gas field to the end that it may be possible to furnish gas therefrom to the citizens of Barrow Village and adjacent thereto; it will permit the industry to utilize fully the vast amount of information developed by the Navy in a further search for oil north of the Brooks range. This bill is important to the future economy of the State of Alaska and any oil or gas discoveries made in the region it will open up will add to both the resources of the State and the United States.

In closing my remarks, I want to call the attention of the Senate to a bill, H.R. 298, recently introduced by the Honorable CARL VINSON, chairman of the Committee on Armed Services of the House, which has for its purpose establishment of Naval Petroleum Reserve No. 5 by setting aside for the Navy the islands of San Nicolas, San Miguel, and Prince lying off the coast of southern California. These islands, if found productive of petroleum, can be developed

at a reasonable cost and will be far better suited for an oil reserve for the military than is the area which is covered by the bill. Should the bill H. R. 298 ever come before this body for its consideration it will be strongly supported by me and will have my vote.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 434) to provide for transferring from the Secretary of the Navy to the Secretary of the Interior jurisdiction over lands of the United States within the boundaries of Naval Petroleum Reserve No. 4, and abolishing such naval petroleum reserve, introduced by Mr. BARTLETT, was received, read twice by its title, and referred to the Committee on Armed Services.

ELIMINATION OF AIR POLLUTION

Mr. KUCHEL. Mr. President, on behalf of myself, and my colleague, the junior Senator from California [Mr. ENGLE], I introduce, for appropriate reference, a bill to extend the duration of the Federal air pollution control law, and for other purposes.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 441) to extend the duration of the Federal air pollution control law, and for other purposes, introduced by Mr. KUCHEL (for himself and Mr. ENGLE), was received, read twice by its title, and referred to the Committee on Public Works.

Mr. KUCHEL. Mr. President, on almost any trip around our country the signs of remarkable growth and progress, of industrial and urban development, of increasing movement of our people, are impressive.

In virtually every section of the Nation, it is impossible to overlook or be unaware of significant changes in the environment in which the American people live and work. These changes, as is evident by the volume of demands for new activities and new services reaching every agency and level of government, present a succession of problems.

From the earliest moment of comprehension, Americans hear about and believe in free air. More and more it is being demonstrated that freeness of the air we breathe every moment of our lives is relative.

The supply of pure, healthful, pleasant air is in real danger of running out because of one of the grave and major environmental problems attributable to our mechanized, industrialized civilization. It long has been apparent—and I have mentioned it to the Senate on a number of occasions—that air pollution, especially in our mushrooming cities and thickly settled metropolitan areas, is a matter of grave concern and potentially of serious danger.

Four years ago, the 84th Congress enacted the Air Pollution Research and Technical Assistance Act, which I had the honor to introduce. This law authorized the Federal Government, through the U.S. Public Health Service,

to carry out a 5-year program of investigation, research, and training to assist States and local governments in checking, reducing, and ultimately controlling air pollution.

Considerable progress has been made in the several elements of that program. Yet, much still remains to be done, many questions still are unanswered.

Accordingly, Mr. President, I introduce a bill for the continuance of the program and for extension of the Air Pollution Act in order that Federal agencies may pursue their efforts and provide further assistance in attempts to remove a menace which is estimated to cause \$3 billion damage annually to our Nation.

Material contribution has been made by the Federal effort to difficult problems of sampling, identifying, and measuring airborne contaminants. For example, methods of analyzing gaseous contaminants, particularly hydrocarbons, present in the atmosphere of virtually every city, have been greatly improved. Such fundamental advances in knowledge are making possible definitive studies which could not have been undertaken a few years ago.

An extensive national air sampling network now is providing an objective measure of the levels and trends of air pollution. Studies of chemical, meteorological, and physical influences and of atmospheric reactions are making available new knowledge ultimately required for rational and economical control procedures.

Appraisal has been made of some important modern sources of urban pollution such as oil refineries, automobile exhausts, and combustion processes. These indeed are inevitable concomitants of our increasing mechanization and industrialization.

Scientists generally concur that the principal source of fumes which are ingredients of smog and pollution in most cities is the motor vehicle. On a number of fronts—including the automobile and petroleum industry level—this phase of the problem is under intense study.

The Federal Government each year has stepped up its pace in this field. In the past 4 years approximately \$1,400,000 of the funds appropriated for air pollution work has been earmarked for investigating the part motor vehicle exhaust and combustion play in the problem. I understand that the forthcoming budget will provide a material increase over the current year figure of \$700,000 in the amount for this line of research.

Significantly, the Public Health Service has progressively stepped up the proportion of its outlays for technical aspects of the automotive studies. This year and again next year 55 percent of the sums for this category of work are earmarked for what is termed engineering investigation of the motor vehicle's role in atmospheric contamination. In its own laboratories at Cincinnati, the Service is carrying on a number of projects, sampling and determining the composition of exhausts, investigating reactions between exhaust constituents, and measuring their effects. Through research contracts and grants, it is pursuing work along five specific

lines, including testing of devices and chemicals for counteracting and controlling smog-causing emissions.

Health studies have developed evidence that not only does air pollution cause much irritation to individuals but is distinctly dangerous to human health and well-being. It has been determined that low levels of air pollution may cause disease and death, certain kinds of heart disease and cancer are of higher incidence in polluted areas, ozone which is a reaction product of certain smog can cause serious lung damage, and sulfur dioxide produced by burning of many fuels obstructs breathing.

Many agencies are participating in the attack on air pollution. The Federal Government is not by any means carrying the whole load. Yet it is an indispensable partner for a number of reasons.

The Congress and the Federal Government long have been and rightly must be concerned with the health of the American people. For that reason, Mr. President, I feel the bill I am introducing is worthy of early and favorable consideration and I earnestly urge passage of this measure to continue Public Law 84-159, the Air Pollution Research and Technical Assistance Act.

I ask unanimous consent to include the text of a telegram from the Governor of California, Edmond G. Brown, asking that Public Law 84-159 be reenacted and strengthened.

I have replied to him that, in my opinion, Congress should and will do so.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

SACRAMENTO, CALIF., January 16, 1959.
Hon. THOMAS H. KUCHEL,
U.S. Senator
Senate Office Building,
Washington, D.C.:

Air pollution is an urgent national health problem which required positive action by the Federal Government as well as by State and local authorities to press forward in combating this menace. I strongly recommend that you renew and expand the National Air Pollution Control Act, Public Law 159 of the 84th Congress, to abandon this constructive program in the face of the stifling smog over cities all across the United States would be both irresponsible and tragic.

EDMOND G. BROWN,
Governor of California.

FOREIGN SERVICE ACT AMENDMENTS OF 1959

Mr. GREEN. Mr. President, by request, I introduce, for appropriate reference, a bill to amend the Foreign Service Act of 1946, as amended. This bill was submitted to the Vice President by letter on December 31, 1958.

This proposed legislation has been requested by the Secretary of State, and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill may be printed at this point in the RECORD, together with the letter from the Secretary of State to the Vice President in regard to it.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD.

The bill (S. 443) to amend the Foreign Service Act of 1946, as amended, and for other purposes, introduced by Mr. GREEN (by request), was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Service Act Amendments of 1959."

Sec. 2. Section 415 of such Act is amended to read as follows:

"SEC. 415. (a) There shall be 10 classes of Foreign Service staff officers and employees, referred to hereafter as staff officers and employees. The per annum salaries of staff officers and employees within each class shall be as follows:

"Class 1: \$11,660, \$11,990, \$12,320, \$12,650, \$12,980, \$13,310, \$13,640.

"Class 2: \$9,900, \$10,175, \$10,450, \$10,725, \$11,000, \$11,275, \$11,500.

"Class 3: \$8,140, \$8,415, \$8,690, \$8,965,

\$9,240, \$9,515, \$9,790.

"Class 4: \$7,000, \$7,225, \$7,450, \$7,675,

\$7,900, \$8,125, \$8,350.

"Class 5: \$6,150, \$6,350, \$6,550, \$6,750,

\$6,950, \$7,150, \$7,350.

"Class 6: \$5,300, \$5,500, \$5,700, \$5,900,

\$6,100, \$6,300, \$6,500.

"Class 7: \$4,650, \$4,800, \$4,950, \$5,100,

\$5,250, \$5,400, \$5,550.

"Class 8: \$4,200, \$4,350, \$4,500, \$4,650,

\$4,800, \$4,950, \$5,100.

"Class 9: \$3,750, \$3,900, \$4,050, \$4,200,

\$4,350, \$4,500, \$4,650.

"Class 10: \$3,500, \$3,600, \$3,700, \$3,800,

\$3,900, \$4,000, \$4,100.

"(b) Notwithstanding the provisions of paragraph (a) of this section, the Secretary may, under such regulations as he may prescribe, fix the salary or compensation at lesser rates of salary than those prescribed by this section for the applicable class of officers or employees who are employed locally abroad and who are not available or are not qualified for transfer to another post or posts."

Sec. 3. Section 416 of such Act is amended to read as follows:

"SEC. 416. (a) A person appointed as a staff officer or employee shall receive basic salary at one of the rates of the class to which he is appointed which the Secretary shall, taking into account his qualifications and experience and the needs of the Service, determine to be appropriate for him to receive.

"(b) Whenever the Secretary determines that the needs of the Service warrant the appointment of staff officers or employees in a particular occupational group uniformly at a specific step rate above the minimum rate of the applicable class, he may adjust the basic salary of any staff officer or employee in the same class and occupational group who is receiving less than such established uniform step rate."

Sec. 4. Section 431 of such Act is amended by striking out in the first sentence of subparagraph (a) the phrase "the termination of time spent on authorized leave, whichever shall be later," and inserting in lieu thereof the phrase "upon termination of his service in accordance with the provisions of paragraph (b) of this section,"; and by amending

subparagraph (b) of this section to read as follows:

"(b) The official services of a chief of mission shall not be deemed terminated by the appointment of a successor but shall continue until he has relinquished charge of the mission and for such additional period as may be determined by the Secretary, but in no case shall such additional period exceed fifty days, including time spent in transit. During such period the Secretary may require him to render such services as he may deem necessary in the interests of the Government".

SEC. 5. Section 441 of such Act and the heading thereto is amended to read as follows:

"CLASSIFICATION OF POSITIONS IN THE FOREIGN SERVICE AND IN THE DEPARTMENT

"SEC. 441. (a) Under such regulations as he may prescribe, and in order to facilitate effective management, the Secretary shall classify all positions in the Service at posts abroad, excluding positions to be occupied by chiefs of mission, and in the case of those occupied by Foreign Service officers, Reserve officers, and staff officers and employees, he shall establish such positions in relation to the classe established by sections 412, 414, and 415, respectively. Positions occupied by local employees and consular agents, respectively, shall be allocated to such classes as the Secretary may establish by regulation.

"(b) Under such regulations as he may prescribe, the Secretary may, notwithstanding the provisions of the Classification Act of 1949, as amended (5 U.S.C. 1071, et seq.), classify positions in or under the Department which he designates as Foreign Service positions to be occupied by officers and employees of the Service, and establish such positions in relation to the classes established by sections 412, 414, and 415."

SEC. 6. (a) Section 444. (a) of such Act is amended by striking out "444. (a)" and inserting "444" in lieu thereof which shall read as follows:

"SEC. 444. The Secretary shall, in accordance with such regulations as he may prescribe, establish schedules of salaries for classes of positions of local (alien) employees of the Service; provided that such schedules of salaries for local employees shall be based upon prevailing wage rates and related compensation practices for corresponding types of positions in the locality, as is consistent with the public interest."

(b) Section 444. (b) of such Act is hereby repealed.

SEC. 7. A new section 447 is hereby added to such Act, as follows:

"ADMINISTRATIVE ESTABLISHMENT OF HAZARDOUS DUTY PAY FOR CERTAIN CATEGORIES OF OFFICERS AND EMPLOYEES

"SEC. 447. The Secretary may, under such regulations as he may prescribe, establish rates of salary differential, not exceeding 15 per centum of basic salary, for officers or employees of the Service while they are assigned for duty as couriers."

SEC. 8. Section 517 of such Act is amended by striking the second and third sentences thereof.

SEC. 9. (a) Section 520 and the heading thereto is amended by striking out in the heading the phrase "Reinstatement and Recall" and substituting in lieu thereof the phrase "Reappointment, Recall, or Reemployment"; and by amending paragraph (b) to read as follows:

"(b) The Secretary may recall any retired Foreign Service officer temporarily to active duty in the Service whenever he shall determine such recall is in the public interest".

(b) Section 520 of such Act is further amended by adding at the end thereof a new paragraph (c) which shall read as follows:

"(c) Notwithstanding the provisions of 5 U.S.C. 62 and 5 U.S.C. 715a, a Foreign Service

officer heretofore or hereafter retired under the provisions of section 631 or 632 or a Foreign Service staff officer or employee hereafter retired under the provisions of section 803 shall not, by reason of his retired status, be barred from employment in Federal Government service in any appointive position for which he is qualified. An annuitant so reemployed shall serve at the will of the appointing officer".

SEC. 10. Section 522 of such Act is amended by adding at the end thereof a new subparagraph (3) which shall read as follows:

"(3) extend the appointment or assignment of any Reserve officer, or continue the services of any such Reserve officer by reappointment without regard to the provisions of section 527 of this Act, for not more than five additional years if the Secretary deems it to be in the public interest to continue such officer in the Service, except that the assignment of any Reserve officer under paragraph (2) above may not be extended under the provisions of this paragraph without the consent of the head of the agency concerned."

SEC. 11. Section 531 of such Act is amended to read as follows:

"SEC. 531. The Secretary may, under such regulations as he may prescribe, appoint staff officers and employees on the basis of qualifications and experience. The Secretary may make provisions for temporary, limited, and such other type appointments as he may deem necessary. He is authorized to establish appropriate probationary periods during which newly appointed staff officers or employees, other than those appointed for temporary or limited service shall be required to serve. The Secretary may terminate at any time, without regard to the provisions of section 637, or the provisions of any other law, staff officers or employees appointed for temporary or limited service and other staff officers or employees who occupy probationary status."

SEC. 12. Section 532 of such Act is amended to read as follows:

"SEC. 532. Under such regulations as he may prescribe, the Secretary may assign a staff officer or employee to any post or he may assign him to serve in any position in which he is eligible to serve under the terms of this or any other Act. A staff officer or employee may be transferred from one post to another by order of the Secretary as the interests of the Service may require."

SEC. 13. (a) Paragraphs (a), (b), and (c) of section 571 of such act are amended to read as follows:

"SEC. 571. (a) Any officer or employee of the Service may, in the discretion of the Secretary, be assigned or detailed for duty in any Government agency, or in any international organization, international commission, or any international body, such an assignment or combination of assignments to be for a period of not more than 4 years, except that under special circumstances the Secretary may extend this 4-year period for not more than 4 additional years.

"(b) If a Foreign Service officer shall be appointed by the President, by and with the advice and consent of the Senate, or by the President alone to a position in any Government agency, any United States delegation or mission to any international organization, international commission, or any international body, the period of his service in such capacity shall be construed as constituting an assignment within the meaning of paragraph (a) of this section and such person shall not, by virtue of the acceptance of such an assignment, lose his status as a Foreign Service officer. Service in such a position shall not, however, be subject to the limitations concerning the duration of an assignment contained in that paragraph.

"(c) If the basic minimum salary of the position to which an officer or employee of the Service is assigned pursuant to the terms of this section is higher than the salary such

officer or employee is entitled to receive as an officer or employee of the Service, such officer or employee shall, during the period such difference in salary exists, receive the salary and allowances of the position in which he is serving in lieu of his salary and allowances as an officer or employee of the Service. Any salary paid under the provisions of this section shall be paid from appropriations made available for the payment of salaries of officers and employees of the Service and shall be the salary on the basis of which computations and payments shall be made in accordance with the provisions of title VIII. No officer or employee of the Service who, subsequent to the effective date of this act is assigned to, or who after June 30, 1960, occupies a position in the Department that is designated as a Foreign Service position shall be entitled to receive a salary differential under the provisions of this paragraph."

(b) Paragraph (e) of section 571 of such act is amended by striking the phrase "with heads of Government agencies" where it appears in the second sentence and by redesignating the paragraph as "(d)".

SEC. 14. Section 625 of such act is amended to read as follows:

"SEC. 625. Any Foreign Service officer or any Reserve officer, whose services meet the standards required for the efficient conduct of the work of the Service and who shall have been in given class for a continuous period of 9 months or more, shall, on the first day of each fiscal year, receive an increase in salary to the next higher rate for the class in which he is serving. Without regard to any other law the Secretary is authorized to grant to any such officer additional increases in salary within the salary range established for the class in which he is serving, based upon especially meritorious service."

SEC. 15. The heading "Part D. Separation of Foreign Service Officers From the Service" under title VI of such Act is amended to read as follows: "Part D. Separation of Officers and Employees From the Service."

SEC. 16. Section 631 of such Act is amended to read as follows:

"SEC. 631. Any Foreign Service officer who is a career ambassador or a career minister, other than one occupying a position as chief of mission or any other position to which he has been appointed by the President, by and with the advice and consent of the Senate, shall, upon reaching the age of sixty-five, be retired from the Service and receive retirement benefits in accordance with the provisions of section 821, but whenever the Secretary shall determine it to be in the public interest, he may extend such an officer's service for a period not to exceed five years."

SEC. 17. Section 632 of such Act is amended to read as follows:

"SEC. 632. Any Foreign officer, other than one occupying a position as chief of mission or any other position to which he has been appointed by the President, by and with the advice and consent of the Senate, who is not a career ambassador or a career minister shall, upon reaching the age of sixty, be retired from the Service and receive retirement benefits in accordance with the provisions of section 821 but whenever the Secretary shall determine it to be in the public interest, he may extend such an officer's service for a period not to exceed five years."

SEC. 18. (a) Paragraphs (a), (b), (c), and (d) of section 637 of such Act and the heading thereto are amended to read as follows:

"SEPARATION FOR CAUSE

"SEC. 637. (a) The Secretary may, under such regulations as he may prescribe, separate from the Service any Foreign Service officer, Reserve officer, or staff officer or employee, on account of the unsatisfactory performance of his duties, or for such other cause as will promote the efficiency of the Service, and for reasons given in writing, but no such officer or employee shall be so sepa-

rated until he shall have been granted a hearing by the Board of the Foreign Service and the unsatisfactory performance of his duties, or other cause for separation, shall have been established at such hearing, or else he shall have waived in writing his right to a hearing. The provisions of this section shall not apply to Foreign Service officers of class 8 or any other officer or employee of the Service who is in a probationary status or whose appointment is limited or temporary.

"(b) Any participant in the Foreign Service Retirement and Disability system who is:

"(1) over forty-five years of age, separated from the Service for unsatisfactory performance of duty shall be retired upon an annuity computed in accordance with the provisions of section 821 but not in excess of 25 per centum of his per annum salary at the time of his separation;

"(2) under forty-five years of age, separated from the Service for unsatisfactory performance of duty shall at the time of separation receive a payment equal to one year's salary or the refund, as provided in section 841(a), of the contributions made by him to the Foreign Service Retirement and Disability Fund, whichever shall be greater.

"(c) Any participant in the Foreign Service Retirement and Disability system separated under the provisions of paragraph (a) of this section, for reasons other than unsatisfactory performance of duty, may, in the discretion of the Secretary and on the basis of criteria established in advance by him, be granted the benefits of paragraph (b) of this section depending upon his age. Unless the Secretary determines at the time of separation of a participant under the provisions of paragraph (a) of this section that he shall be granted the benefits of paragraph (b) of this section his contributions to the Foreign Service Retirement and Disability Fund shall be returned to him in accordance with the provisions of section 841(a).

"(d) Any officer or employee of the Service who is not a participant in the Foreign Service retirement and disability system shall be entitled only to such benefits as shall accrue to him under the retirement system in which he is a participant."

(b) Section 637 of such Act is further amended by adding at the end thereof a new paragraph (e) which shall read as follows:

"(e) Any payments made in accordance with the provisions of paragraph (b) or (c) of this section shall be made out of the Foreign Service Retirement and Disability Fund."

SEC. 19. Section 638 of such Act and the heading thereto are amended to read as follows:

"TERMINATION OF APPOINTMENT OF FOREIGN SERVICE RESERVE OFFICERS AND STAFF OFFICERS AND EMPLOYEES UNDER LIMITED APPOINTMENT

"SEC. 638. Notwithstanding the provisions of this or any other law, the Secretary may, under such regulations as he may prescribe, terminate the services of any Reserve officer or staff officer or employee serving under limited appointment at any time."

SEC. 20. Section 641 of such Act is amended to read as follows:

"SEC. 641. All promotions of staff officers and employees to a higher class shall be made at the same or at a higher salary on the basis of performance and merit in accordance with such regulations as the Secretary may prescribe."

SEC. 21. Section 642 of such Act is amended to read as follows:

"SEC. 642. (a) Under such regulations as the Secretary may prescribe, any staff officer or employee whose services meet the standards required for the efficient conduct of the

work of the Service shall receive an increase in salary at periodic intervals to the next higher salary rate for the class in which he is serving. Without regard to any other law the Secretary is authorized to grant any such officer or employee additional increases in salary within the salary range established for the class in which he is serving, based upon especially meritorious service.

"(b) Under such regulations as the Secretary may prescribe, any staff officer or employee who has achieved the maximum salary rate prescribed by section 415 for the class in which he is serving may be granted an additional in-class salary increment from time to time in recognition of longevity and proficiency in the Service. Each such salary increment shall be equal to the maximum step rate increment of the applicable class and no person shall receive more than four such salary increments while serving in the same class."

SEC. 22. Section 701 of such act is amended by adding at the end thereof a new sentence which shall read as follows: "The Secretary may also provide appropriate orientation and language training to dependents of officers and employees of the Government if such officers and employees are assigned to foreign relations activities."

SEC. 23. Section 704 of such act is amended by adding at the end thereof a new paragraph (e) which shall read as follows:

"(e) The Secretary may, under such regulations as he may prescribe, in the absence of suitably qualified United States citizens, employ persons who are not citizens of the United States by appointment to the staff of the Institute either on a full- or part-time basis or by contract for services in the United States or abroad at rates not in excess of those provided by the Classification Act of 1949, as amended (5 U.S.C. 1071)."

SEC. 24. (a) Section 803(b)(2) of such act is amended to read as follows: "(2) have paid into the fund a special contribution for each year of such service in accordance with the provisions of paragraph (b) of section 852."

(b) Section 803 is further amended by adding at the end thereof a new paragraph (c) which shall read as follows:

"(c) (1) In accordance with such regulations as the President may prescribe, any Foreign Service staff officer or employee appointed by the Secretary of State who has completed at least 10 years of continuous service in the Department's Foreign Service, exclusive of military service, shall become a participant in the Foreign Service retirement and disability system and shall make a special contribution to the Foreign Service Retirement and Disability Fund in accordance with the provisions of section 852.

"(2) Any such officer or employee who, under the provisions of paragraph (c)(1) of this section, becomes a participant in the Foreign Service retirement and disability system, shall be mandatorily retired for age during the first year after the effective date of this section if he attains age 64 or if he is over age 64; during the second year at age 63; during the third year at age 62; during the fourth year at age 61, and thereafter at age 60."

SEC. 25. Section 804 of such Act is amended to read as follows:

"SEC. 804. (a) Annuitants shall be persons who are receiving annuities from the fund on the effective date of this Act and all persons, including widows, widowers, dependent widowers, children, and beneficiaries of participants or annuitants who shall become entitled to receive annuities in accordance with the provisions of this Act, as amended, or in accordance with the provisions of section 5 of the Act of May 1, 1956 (70 Stat. 125).

"(b) When used in this title the term—

"(1) 'Widow' means the surviving wife of a participant who was married to such participant for at least 2 years immediately

preceding his death or is the mother of issue by such marriage.

"(2) 'Widower' means the surviving husband of a participant who was married to such participant for at least 2 years immediately preceding her death or is the father of issue by such marriage.

"(3) 'Dependent Widower' means the surviving husband of a participant who was married to such participant for at least 2 years immediately preceding her death or is the father of issue by such marriage, and who is incapable of self-support by reason of mental or physical disability, and who received more than one-half of his support from such participant.

"(4) 'Child' means an unmarried child, including (a) an adopted child, and (b) a step-child or recognized natural child who received more than one-half of his support from the participant, under the age of 18 years, or such unmarried child regardless of age who because of physical or mental disability incurred before age 18 is incapable of self-support".

SEC. 26. Section 811 of such Act is amended by striking out the word "Five" and by inserting the words "Six and one-half".

SEC. 27. (a) Paragraphs (a), (b), and (c) of section 821 of such Act are amended to read as follows:

"SEC. 821. (a) The annuity of a participant shall be equal to 2 per centum of his average basic salary for the highest five consecutive years of service, for which full contributions have been made to the Fund, multiplied by the number of years, not exceeding thirty-five, of service credit obtained in accordance with the provisions of sections 851, 852, and 853. However, the highest five years of service for which full contributions have been made to the Fund shall be used in computing the annuity of any Foreign Service officer who serves as chief of mission and whose continuity of service as such is interrupted prior to retirement by appointment or assignment to any other position determined by the Secretary to be of comparable importance. In determining the aggregate period of service upon which the annuity is to be based, the fractional part of a month, if any, shall not be counted.

"(b) At the time of retirement, any participant may, except as otherwise provided by section 834(a), elect to receive a reduced annuity and to provide for an annuity payable to his widow or her widower, commencing on the date following such participant's death and terminating upon the death of such surviving widow or widower. The annuity payable to the surviving widow or widower after such participant's death shall be fifty per centum of the amount of the participant's annuity, up to the full amount of his annuity, specified by him as the base for the survivor benefits computed as prescribed in paragraph (a) of this section. The annuity of the participant making such election shall be reduced by 2½ per centum of any amount up to \$2,400 he specifies as the base for the survivor benefit plus ten per centum of any amount over \$2,400 up to the full amount of the participant's annuity so specified.

"(c) (1) If an annuitant who made the election provided for in paragraph (b) of this section dies and is survived by a widow or widower and by a child or children, there shall be paid to or on behalf of each child, in addition to the annuity payable to the surviving widow or widower under such election, an annuity equal to the smallest of: (i) 40 per centum of the annuitant's average salary divided by the number of children; (ii) \$600; or (iii) \$1,800 divided between the number of children.

"(2) If an annuitant who did not make the election provided for in paragraph (b) dies and is survived by a widow or widower and by a child or children, or if such annuitant is not survived by a widow or widower

but by a child or children, each surviving child shall be paid an annuity equal to the smallest of: (i) 50 per centum of the annuitant's average salary divided by the number of children; (ii) \$720; or (iii) \$2,160 divided between the number of children".

(b) Section 821 of such Act is further amended by adding new paragraphs (d), (e), and (f) which shall read as follows:

"(d) If a surviving widow or widower who is receiving an annuity in accordance with the provisions of paragraph (b) of this section dies or the annuity of a child is terminated, the annuity of any other child or children shall be recomputed and paid as though such wife, husband, or child has not survived the participant.

"(e) The annuity payable to a child under paragraphs (c) or (d) of this section shall begin on the first day of the next month after the participant dies and such annuity or any right thereto shall be determined upon death, marriage, or attainment of the age of eighteen years, except that, if a child is incapable of self-support by reasons of mental or physical disability, the annuity shall be terminated only when such child dies, marries, or recovers from such disability.

"(f) A participant who is not entitled to designate a beneficiary in accordance with the provisions of paragraph (b) of this section may at the time of retirement elect to receive a reduced annuity for himself and to provide for an annuity payable after his or her death to a beneficiary whose name shall be notified in writing to the Secretary. The participant may elect that such beneficiary shall receive annuity payments either equal to 50 per centum of the participant's full annuity or to such lesser base sum as the participant shall designate. The annuity payable to a participant making such election shall be reduced by 10 per centum of an annuity computed as provided in subsection (a) of this section and by 5 per centum of an annuity so computed for each full five years the person designated is younger than the retiring participant, but such total reduction shall not exceed 40 per centum. Upon the death of the surviving beneficiary all payments shall cease and no further annuity payments shall be due or payable. No such election of a reduced annuity payable to a beneficiary shall be valid until the participant shall have satisfactorily passed a physical examination as prescribed by the Secretary."

SEC. 28. (a) Paragraphs (a), (b), and (c) of section 831 of such Act are amended to read as follows:

"SEC. 831. (a) Any participant who has five years of service credit toward retirement under the system, excluding military or naval service that is credited in accordance with the provisions of section 851 or 852 (a) (2), and who becomes totally disabled or incapacitated for useful and efficient service by reason of disease, illness, or injury not due to vicious habits, intemperance, or willful misconduct on his part, shall, upon his own application or upon order of the Secretary, be retired on an annuity computed as prescribed in section 821. If the disabled or incapacitated participant has less than twenty years of service credit toward his retirement under the system at the time he is retired, his annuity shall be computed on the assumption that he had had twenty years of service, but the additional service credit that may accrue to a participant under this provision shall in no case exceed the difference between his age at the time of retirement and the mandatory retirement age applicable to his class in the Service.

"(b) In each case such disability shall be determined by the Secretary upon the basis of the advice of one or more duly qualified physicians or surgeons, designated by the Secretary to conduct examinations. Unless the disability is permanent, like examinations shall be made annually until the

annuitant has reached the statutory mandatory retirement age for his class in the Service. If the Secretary determines, on the basis of the advice of one or more duly qualified physicians or surgeons conducting such examinations that an annuitant has recovered to the extent that he can return to active duty, the annuitant shall be given the opportunity to be reinstated or reappointed in the Service. The Secretary may reinstate any such recovered disability annuitant in the class in which he was serving at time of retirement. The Secretary may, taking into consideration the age, qualifications, and experience of such officer and the rank of his contemporaries in the Service, recommend that the President, by and with the advice and consent of the Senate, appoint him to a class higher than the one in which he was serving prior to retirement. Payment of the annuity shall continue until a date six months after the date of the examination showing recovery or until the date of reinstatement to active duty in the Service, whichever is earlier. Fees for examinations under this provision, together with reasonable traveling and other expenses incurred in order to submit to examination, shall be paid out of the Fund. If the annuitant fails to submit to examination as required under this section, payment of the annuity shall be suspended until continuance of the disability is satisfactorily established.

"(c) If a recovered disability annuitant whose annuity is discontinued is for any reason not reinstated to active duty, or re-appointed to a higher class in the Service, he shall be considered to have been separated within the meaning of section 834 as of the date he was retired for disability and he shall, after the discontinuance of the disability annuity, be entitled to the benefits of that section or of section 841(a) except that he may elect voluntary retirement in accordance with the provisions of section 636 if he can qualify under its provisions."

(b) Section 831 of such Act is further amended by adding new paragraphs (d), (e), and (f) which shall read as follows:

"(d) No participant shall be entitled to receive an annuity under this Act and compensation for injury or disability to himself under the Federal Employees' Compensation Act of September 7, 1916, as amended, covering the same period of time. This provision shall not bar the right of any claimant to the greater benefit conferred by either Act for any part of the same period of time. Neither this provision nor any provision of the Act of September 7, 1916, as amended, shall be so construed as to deny the right of any person to receive an annuity under this Act by reason of his own services and to receive concurrently any payment under such Act of September 7, 1916, as amended, by reason of the death of some other persons.

"(e) Notwithstanding any provision of law to the contrary, the right of any participant entitled to an annuity under this Act shall not be affected because such participant has received an award of compensation in a lump sum under section 14 of the Act of September 7, 1916, as amended, except that where such annuity is payable on account of the same disability for which compensation under such section has been paid, so much of such compensation as has been paid for any period extended beyond the date such annuity becomes effective, as determined by the Secretary of Labor, shall be refunded to the Department of Labor, to be paid into the Federal Employees' Compensation Fund. Before such person shall receive such annuity he shall (1) refund to the Department of Labor the amount representing such computed payments for such extended period, or (2) authorize the deduction of such amount from the annuity payable to him under this Act, which amount shall be trans-

mitted to such Department for reimbursement to such Fund. Deductions from such annuity may be made from accrued and accruing payments, or may be prorated against and paid from accruing payments in such manner as the Secretary of Labor shall determine, whenever he finds that the financial circumstances of the annuitant are such as to warrant such deferred refunding".

Sec. 29. Section 832 of such Act is amended to read as follows:

"Sec. 832. (a) In case a participant shall die and no valid claim for annuity is payable under the provisions of this Act, his contributions to the Fund, with interest, shall be paid in accordance with the provisions of sections 841(a) and 881.

"(b) If a participant who has at least 5 years of service credit toward retirement under the system, excluding military or naval service that is credited in accordance with the provisions of sections 851 or 852(a) (2), dies before separation or retirement from the Service and is survived by a widow or a dependent widower, who qualified for an annuity under the provisions of paragraph (b) of section 821, such widow or dependent widower shall be entitled to an annuity equal to 50 per centum of the annuity computed in accordance with the provisions of paragraph (e) of this section and paragraph (a) of section 821. The annuity of such widow or dependent widower shall commence on the date following death of the participant and shall terminate upon death of the widow or dependent widower, or upon the dependent widower's becoming capable of self-support.

"(c) If a participant who has at least 5 years of service credit toward retirement under the system, excluding military or naval service that is credited in accordance with the provisions of sections 851 or 852(a) (2), dies before separation or retirement from the service and is survived by a widow or a dependent widower, who qualifies for an annuity under the provisions of paragraph (b) of section 821, and a child or children, each surviving child shall be entitled to an annuity computed in accordance with the provisions of paragraph (c) (1) of section 821. The child's annuity shall begin and be terminated in accordance with the provisions of paragraph (e) of section 821. Upon the death of the surviving widow or dependent widower or termination of the annuity of a child, the annuity of any other child or children shall be recomputed and paid as though such widow or dependent widower or child had not survived the participant.

"(d) If a participant who has at least 5 years of service credit toward retirement under the system, excluding military or naval service that is credited in accordance with the provisions of sections 851 or 852(a) (2), dies before separation or retirement from the service and is not survived by a widow or widower, but by a child or children, each surviving child shall be entitled to an annuity computed in accordance with the provisions of paragraph (e) (2) of section 821.

"(e) If, at the time of his or her death, the deceased participant had less than 20 years of service credit toward retirement under the system, the annuities payable in accordance with paragraph (b) of this section shall be computed in accordance with the provisions of section 821 on the assumption he or she had had 20 years of service, but the additional service credit that may accrue to a deceased participant under this provision shall in no case exceed the difference between his or her age on the date of death and the mandatory retirement age applicable to his or her class in the Service. In all cases arising under paragraphs (b), (c), (d), or (e) of this section, it shall be assumed that the deceased participant was qualified for retirement on the date of his death".

SEC. 30. A new section 834 is hereby added to such Act as follows:

"DISCONTINUED SERVICE RETIREMENT"

"Sec. 834. (a) Any participant who voluntarily separates from the Service after obtaining at least 5 years of service credit toward retirement under the system, excluding military or naval service that is credited in accordance with the provisions of sections 851 or 852(a)(2), may, upon separation from the Service or at any time prior to becoming eligible for an annuity, elect to have his contributions to the Fund returned to him in accordance with the provisions of section 841, or to leave his contributions in the Fund and receive an annuity, computed as prescribed in section 821 commencing at the age of 60 years. The provisions of paragraph (f) of section 821 shall not be applicable to such participants.

"(b) If a participant who has qualified in accordance with the provisions of paragraph (a) of this section, to receive a deferred annuity commencing at the age of 60 dies before reaching the age of 60 his contributions to the Fund, with interest, shall be paid in accordance with the provisions of sections 841 and 831".

Sec. 31. Section 841 of such Act is amended to read as follows:

"Sec. 841. (a) Whenever a participant becomes separated from the Service without becoming eligible for an annuity or a deferred annuity in accordance with the provisions of this Act, the total amount of contributions from his salary with interest thereon at 4 per centum per annum, compounded annually at the end of each fiscal year through June 30, 1958; semiannually as of December 31, 1958; annually thereafter as of December 31, and proportionately for the period served during the year of separation including all contributions made during or for such period, except as provided in section 881, shall be returned to him.

"(b) In the event that the total contributions of a retired participant, other than voluntary contributions made in accordance with the provisions of section 881, with interest at 4 per centum per annum compounded annually as is provided in paragraph (a) of this section added thereto, exceed the total amount returned to such participant or to an annuitant claiming through him, in the form of annuities, accumulated at the same rate of interest up to the date the annuity payments cease under the terms of the annuity, the excess of the accumulated contributions over the accumulated annuity payments shall be paid in the following order of precedence, upon the establishment of a valid claim therefor, and such payment shall be a ban to recovery by any other person:

"(1) To the beneficiary or beneficiaries designated by the retired participant in writing to the Secretary;

"(2) If there be no such beneficiary, to the widow or widower of such participant;

"(3) If none of the above, to the child or children of such participant and descendants of deceased children by representation;

"(4) If none of the above, to the parents of such participant or the survivor of them;

"(5) If none of the above, to the duly appointed executor or administrator of the estate of such participant;

"(6) If none of the above, to other next of kin of such participant as may be determined by the Secretary in his judgment to be legally entitled thereto.

"(c) No payment shall be made pursuant to paragraph (b) (6) of this section until after the expiration of thirty days from the death of the retired participant or his surviving annuitant."

Sec. 32. Section 851 of such Act is amended to read as follows:

"Sec. 851. For the purposes of this title, the period of service of a participant shall be computed from the effective date of appointment as a Foreign Service officer, or, if ap-

pointed prior to July 1, 1924, as an officer or employee of the Diplomatic or Consular Service of the United States, or who becomes a participant under the provisions of this Act, as amended, but all periods of separation from the Service and so much of any leaves of absence without pay as may exceed six months in the aggregate in any calendar year shall be excluded, except leaves of absence while receiving benefits under the Federal Employees' Compensation Act of September 7, 1916, as amended, and leaves of absence granted participants while performing active and honorable military or naval service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States".

Sec. 33. (a) Paragraphs (a), (b), and (c) of section 852 of such Act are amended to read as follows:

"(a) A participant may, subject to the provisions of this section, include in his period of service—

"(1) service performed as a civilian officer or employee of the Government, including the municipal government of the District of Columbia, prior to becoming a participant; and

"(2) active and honorable military or naval service in the Army, Navy, Marine Corps, Air Force, or Coast Guard of the United States.

"(b) A person may obtain prior civilian service credit in accordance with the provisions of paragraph (a)(1) of this section by making a special contribution to the Fund equal to 5 per centum of his basic annual salary for each year of service for which credit is sought subsequent to July 1, 1924, and prior to the effective date of this Act, and at 6½ per centum thereafter with interest compounded annually at 4 per centum per annum to the date of payment. Any such participant may, under such conditions as may be determined in each instance by the Secretary, pay such special contributions in installments.

"(c)(1) If an officer or employee under some other government retirement system, becomes a participant in the Foreign Service Retirement and Disability System by direct transfer, such officer or employee's total contributions and deposits, including interest accrued thereon, except voluntary contributions, shall be transferred to the Foreign Service Retirement and Disability Fund effective as of the date such officer or employee becomes a participant in the system. Each such officer or employee shall be deemed to consent to the transfer of such funds and such transfer shall be a complete discharge and acquittance of all claims and demands against the other government retirement fund on account of service rendered prior to becoming a participant in the Foreign Service Retirement and Disability System.

"(2) No officer or employee, whose contributions are transferred to the Foreign Service Retirement and Disability Fund in accordance with the provisions of paragraph (c)(1) of this section, shall be required to make contributions in addition to those transferred, for periods of service for which full contributions were made to the other government retirement fund, nor shall any refund be made to any such officer or employee on account of contributions made during any period to the other government retirement fund, at a higher rate than that fixed by section 811 of this Act for contributions to the Foreign Service Retirement and Disability System.

"(3) No officer or employee, whose contributions are transferred to the Foreign Service Retirement and Disability Fund in accordance with the provisions of paragraph (c)(1) of this section, shall receive credit for periods of prior service for which a refund of contributions has been made, or for which no contributions were made to the other Government retirement fund. A par-

icipant may, however, obtain credit for such prior service by making a special contribution to the Foreign Service Retirement and Disability Fund in accordance with the provisions of paragraph (b) of this section".

(b) Section 852 of such Act is further amended by adding at the end thereof new paragraphs (d) and (e) which shall read as follows:

"(d) No participant may obtain prior civilian service credit toward retirement under the Foreign Service Retirement and Disability system for any period of civilian service on the basis of which he is receiving or will in the future be entitled to receive any annuity under another retirement system covering civilian personnel of the Government.

"(e) A participant may obtain prior military or naval service credit in accordance with the provisions of paragraph (a)(2) of this section by applying for it to the Secretary prior to retirement or separation from the Service, but in the case of a participant who is eligible for and receives retired pay on account of military or naval service, the period of service upon which such retired pay is based shall not be included except that in the case of a participant who is eligible for and receives retired pay on account of a service-connected disability incurred in combat with an enemy of the United States or resulting from an explosion of an instrument of war and incurred in line of duty during an enlistment or employment as provided in Veterans Regulation Numbered 1(a), part I, paragraph I, or is awarded under title III of Public Law 810, 80th Congress, the period of such military or naval service shall be included. No contributions to the Fund shall be required in connection with military or naval service credited to a participant in accordance with the provisions of paragraph (a)(2) of this section".

Sec. 34. The heading "Part H. Officers reinstated in the Service" under title VIII of such act is amended to read as follows: "Part H. Annuitants Recalled or Reinstated in the Service or Reemployed in the Government".

Sec. 35. Section 871 of such Act is amended and a heading is added thereto as follows:

"RECALL"

"Sec. 871. Any annuitant recalled to active duty in the Service in accordance with the provisions of paragraph (b) of section 520 or paragraph (b) of section 831 shall, while so serving, be entitled in lieu of his retirement allowance to the full pay of the class in which he is serving. During such service, he shall make contributions to the Fund in accordance with the provisions of section 811. The amount of his annuity when he reverts to the retired list shall be recomputed in accordance with the provisions of section 821."

Sec. 36. A new section 872 is hereby added to such Act as follows:

"REEMPLOYMENT"

"Sec. 872. (a) Notwithstanding any other provision of law, any officer or employee of the Service, who has retired under this Act, as amended, and is receiving an annuity pursuant thereto, and who is reemployed in the Federal Government Service in any appointive position either on a part-time or full-time basis, shall be entitled to receive the salary of the position in which he is serving plus so much of his annuity payable under this Act, as amended, which when combined with such salary does not exceed during any calendar year the highest basic salary such officer or employee was entitled to receive under sections 412 or 415 of the Act, as amended, on the date of his retirement from the Service. Any such reemployed officer or employee who receives salary during any calendar year in excess of the maximum amount which he may be entitled to receive

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under this subparagraph shall be entitled to such salary in lieu of benefits hereunder.

(b) When any such retired officer or employee of the Service is reemployed, the employer shall notify the Department of State of such reemployment together with all pertinent information relating thereto and shall cause to be paid, by transfer or otherwise, to the Department of State funds necessary to cover gross salary, employer contributions, and gross lump-sum leave payment relating to the employment of the reemployed officer or employee. The Department of State shall make to and on behalf of the reemployed officer or employee payments to which he is entitled under the provisions of paragraph (a) of this section, and shall make those withholdings and deductions authorized and required by law.

(c) In the event of any overpayment under this section the Secretary of State is authorized to withhold the amount of such overpayment from the salary payable to such reemployed officer or employee or from his annuity.

SEC. 37. (a) Paragraph (a) of section 881 of such act is amended to read as follows:

“SEC. 881. (a) Any participant may, at his option and under such regulations as may be prescribed by the President, deposit addi-

tional sums in multiples of 1 percent of his basic salary, but not in excess of 10 percent of such salary, which amounts together with interest at 3 percent per annum, compounded annually at the end of each fiscal year through June 30, 1958; semiannually as of December 31, 1958; annually thereafter as of December 31, and proportionately for the period served during the year of his retirement including all contributions made during or for such period, shall, at the date of his retirement and at his election, be—”

(b) Paragraph (c) of section 881 of such act is amended by deleting the word “annually” and inserting in lieu thereof the phrase “as is provided in paragraph (a) of this section”.

SEC. 38. (a) Section 1021 of such act is amended by inserting the phrase “the Department including” immediately prior to the phrase “the Service” wherever it appears in this section.

(b) Section 1021(a) is further amended by striking out the phrase “if recommended by the Director General” and inserting in lieu thereof the phrase “at the discretion of the Secretary”.

SEC. 39. Section 11 of Public Law 885, 84th Congress (70 Stat. 890) is hereby amended by inserting after the phrase “Gov-

ernment-owned vehicles” the phrase “or taxicabs” and by inserting after the phrase “public transportation facilities” the phrase “other than taxicabs”.

SEC. 40. Paragraph (4) of section 104(a) of the Internal Revenue Code of 1954 (26 U.S.C. 104(a)(4)) (relating to the exclusion from gross income of compensation for injuries and sickness) is hereby amended to read as follows:

“(4) amounts received as a pension, annuity, or similar allowance for personal injuries or sickness resulting from active service in the armed forces of any country or in the Coast and Geodetic Survey or the Public Health Service, or as a disability annuity payable under the provisions of section 831 of the Foreign Service Act of 1946, as amended (22 U.S.C. 1081; 60 Stat. 1021).”

SEC. 41. Foreign Service staff officers and employees receiving basic compensation immediately prior to the effective date of this Act at one of the scheduled rates provided by section 415 of such Act, as amended, shall be transferred to the new classes established by section 415 of such Act, as amended, and shall receive basic compensation on and after the effective date of this Act, as follows:

Present class and step rate of sec. 415 of the Foreign Service Act of 1946, as amended (1958)			Corresponding new class and step rate of sec. 415 of the Foreign Service Act of 1946, as amended by this act			Amount of adjustments	Present class and step rate of sec. 415 of the Foreign Service Act of 1946, as amended (1958)			Corresponding new class and step rate of sec. 415 of the Foreign Service Act of 1946, as amended by this act			Amount of adjustments
Class	Step	Rate	Class	Step	Rate		Class	Step	Rate	Class	Step	Rate	
FSS-1	5	\$13,160	FSS-1	6	\$13,310	\$150	FSS-9	6	\$6,650	FSS-5	4	\$6,750	\$100
	4	12,830		5	12,980	150		5	6,435		7	6,500	65
	3	12,480		4	12,650	170		4	6,220		6	6,300	80
	2	12,120		3	12,320	200		3	6,005		5	6,100	95
FSS-2	1	11,770	FSS-1	2	11,990	220		2	5,795		4	5,900	105
	5	12,120		3	12,320	200		1	5,585		3	5,700	115
	4	11,770		2	11,990	220		7	6,175	FSS-6	6	6,300	125
	3	11,485		7	11,550	65		6	5,970		5	6,100	130
FSS-3	2	11,205	FSS-2	6	11,275	70		5	5,755		4	5,900	145
	1	10,920		5	11,000	80		4	5,540	FSS-7	7	5,550	10
	5	11,165		6	11,275	110		3	5,400		6	5,400	-----
	4	10,885		5	11,000	115		2	5,290		6	5,400	140
FSS-4	3	10,600		4	10,725	125		1	5,115		5	5,250	135
	2	10,320		3	10,150	130		7	5,500	FSS-7	7	5,550	50
	1	10,030		2	10,175	145		6	5,355		6	5,400	45
	5	10,230		3	10,150	220		5	5,215		5	5,250	35
FSS-5	4	9,945		2	10,175	230		4	5,070		4	5,100	30
	3	9,665	FSS-3	7	9,790	125		3	4,930		3	4,950	20
	2	9,380		6	9,515	135		2	4,790		2	4,800	10
	1	9,095		5	9,240	145		1	4,650	FSS-8	1	4,650	-----
FSS-6	6	9,600		7	9,790	190		7	5,025		7	5,100	75
	5	9,315		6	9,515	200		6	4,890		6	4,950	60
	4	9,030		5	9,240	210		5	4,745		5	4,800	55
	3	8,815		4	8,965	150		4	4,605		4	4,650	45
FSS-7	2	8,610	FSS-3	3	8,600	80		3	4,460		3	4,600	40
	1	8,395		2	8,415	20		2	4,320		2	4,350	30
	6	8,755		4	8,965	210		1	4,180		1	4,200	20
	5	8,540		3	8,600	150		7	4,580	FSS-9	7	4,650	70
FSS-8	4	8,325		7	8,350	25		6	4,440		6	4,500	60
	3	8,120		6	8,125	5		5	4,295		5	4,350	55
	2	7,905		6	8,125	220		4	4,155		4	4,200	45
	1	7,690		5	7,900	210		3	4,010		3	4,050	40
FSS-9	6	8,050	FSS-4	6	8,125	75		2	3,870		2	3,900	30
	5	7,840		5	7,900	60		1	3,730		1	3,750	20
	4	7,630		4	7,675	45		7	4,155	FSS-9	4	4,200	15
	3	7,415		3	7,450	35		6	4,010		5	3,900	30
FSS-10	2	7,200		2	7,225	25		5	3,870		4	3,800	70
	1	6,990		1	7,000	10		4	3,730		2	3,600	15
	6	7,360	FSS-5	7	7,350	-----		3	3,585		1	3,500	55
	5	7,140		6	7,150	10		2	3,445		1	3,500	100
FSS-11	4	6,925		5	6,950	25		1	3,300	FSS-10	1	3,500	5
	3	6,710		4	6,750	40		7	4,100		7	4,100	90
	2	6,495		3	6,550	55		5	3,870		5	3,900	30
	1	6,285		2	6,350	65		4	3,730		4	3,800	70

SEC. 42. The annuity of each former participant under the Foreign Service Retirement and Disability system, who retired prior to July 28, 1958, and who at the time of his retirement had creditable service in excess of thirty years, shall be recomputed on the basis of actual years of creditable service not in excess of thirty-five years. Service which was not creditable under the Foreign Service Retirement and Disability system on the date of a former participant retires, shall not

be included as creditable service for the purpose of this recomputation. The annuities payable to such persons shall, when recomputed, be paid at the rates so determined, but no such recomputation or any other action taken pursuant to this section shall operate to reduce the rate of the annuity any such person is entitled to receive under the Foreign Service Retirement and Disability system.

SEC. 43. (a) The provisions of this Act

shall become effective as of the first day of the first pay period which begins one month after the passage of this Act, except as provided in paragraphs (b), (c), and (d) of this section.

(b) The provisions of paragraphs (c)(1) and (c)(2) of section 803 of the Foreign Service Act of 1946, as amended by section 24(b) of this Act, shall become effective on the first day of the first month which begins one year after the effective date of this Act,

except that any Foreign Service staff officer or employee, who at the time this Act becomes effective meets the requirements for participation in the Foreign Service Retirement and Disability system may elect to become a participant in the system before the mandatory provisions become effective. Such Foreign Service staff officers and employees shall become participants effective on the first day of the second month following the date of their application for earlier participation.

(c) The amendment made by section 40 of this Act shall be effective with respect to taxable years ending after the date of enactment of this Act.

(d) The provisions of section 42 of this Act shall take effect on the first day of the first month which begins more than thirty days after the date of enactment of this Act.

SEC. 44. Notwithstanding the provisions of this Act, existing rules, regulations or applicable to the Foreign Service of the United States shall remain in effect until revoked or rescinded or until modified or superseded by regulations made in accordance with the provisions of this Act, unless clearly inconsistent with the provisions of this Act.

SEC. 45. The following headings and sections in the Foreign Service Act of 1946, as amended, are hereby repealed:

(1) Section 442 of such Act and the heading thereto.

(2) Section 525 of such Act and the heading thereto.

(3) Section 576 of such Act and the heading thereto.

(4) Sections 651 and 652 of such Act and the headings thereto including part F.

The letter presented by Mr. GREEN is as follows:

The Honorable RICHARD M. NIXON,
President of the Senate.

DEAR MR. VICE PRESIDENT: In its continuing efforts to improve and strengthen the administration of the Foreign Service, the Department is submitting a proposed bill "To amend the Foreign Service Act of 1946, as amended, and for other purposes" (tab I) for consideration by the United States Senate.

The amendments proposed in this bill are urgently needed to improve and strengthen the administration of the Foreign Service. They would accomplish the following:

1. Provide an improved 10-class salary structure for the Foreign Service staff corps and authorize the Secretary to fix salary rates for United States citizens employed abroad.

2. Provide authority for appointment of Foreign Service staff personnel at in-class salary-step rates and authorize the fixing of appointment salary rates for short-supply categories of personnel.

3. Clarify provisions governing the termination of the services of chiefs of mission.

4. Provide greater flexibility in the classification of Foreign Service positions.

5. Provide authority to pay a hazardous duty salary differential to diplomatic couriers.

6. Clarify and improve provisions governing lateral entry into the Foreign Service.

7. Improve provisions relating to reinstatement and recall of Foreign Service officers and remove existing restrictions on the reemployment by any Government agency of retired participants in the Foreign Service retirement and disability system.

8. Provide authority for the continuation on the rolls of certain Foreign Service Reserve officers notwithstanding the usual limitation on duration of assignment.

9. Clarify and simplify provisions governing appointment, assignment, transfer, and promotion of Foreign Service staff personnel.

Establish a system of longevity for staff personnel.

10. Clarify and simplify provisions governing the assignment of Foreign Service personnel to Government agencies.

11. Liberalize provisions relating to extension of services of Foreign Service officers beyond mandatory retirement age.

12. Provide a uniform basis for effecting separation for cause.

13. Provide specific authority for the termination of officers and employees serving under limited appointment.

14. Improve provisions governing the establishment of, the conduct of, and the use of the facilities of the Foreign Service Institute.

15. Provide for general improvement in the Foreign Service retirement and disability system, including such specific improvements as:

(a) Liberalization of survivorship benefits and coverage of surviving children;

(b) Provision for the participation of certain Foreign Service staff personnel in the system;

(c) Clarification of provisions for reinstatement of recovered disability annuitants;

(d) Clarification of provisions relating to death in service;

(e) Clarification of provisions governing prior service credit;

(f) Provision for the automatic transfer of contributions from one retirement fund to another; and

(g) An increase in rate of employee contributions from 5 to 6 1/2 percent.

16. Improve provisions governing the acceptance of gifts.

17. Clarify provisions relating to the use of Government-owned vehicles at posts abroad.

18. Exempt disability annuities from income tax liability.

Throughout the proposed draft bill there are perfecting and clarifying technical changes that relate to the proposals listed above.

An explanation of each of the proposed amendments is enclosed (table II), together with an estimate of the cost involved in implementing the proposed legislation (table III).

Enactment of this proposed legislation will provide important improvements in the personnel system for the conduct of foreign affairs. The Department recommends the passage of this bill to accomplish the purposes set forth above and trusts that it may receive favorable consideration by the Congress.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this draft legislation.

Sincerely yours,
CHRISTIAN A. HERTER,
Acting Secretary

~~Proposed Legislation Relating to Cultural Affairs~~
PROPOSED LEGISLATION RELATING
TO CULTURAL AFFAIRS

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, two bills relating to cultural affairs. One is designed to promote the international cultural exchange, and the other fosters the development of the arts here at home.

The first measure would amend the International Cultural Exchange and Trade Fair Participation Act of 1956, to provide for participation by foreign governments and citizens of other countries in cultural activities in the United States. This law, which was sponsored by Representative FRANK THOMPSON, JR., of New Jersey, and myself, made the President's

Special International Program of Cultural Exchange a permanent policy.

Unfortunately the President's program was primarily concerned with sending American cultural programs overseas and did not provide for a true exchange. In this connection I quote from the letter President Eisenhower sent to the Congress on July 27, 1954, which called for the establishment of such a program. It is clear from the letter that a program of cultural exchange was not contemplated at the time.

He requested the sum of \$5 million to be expended at his discretion "to meet extraordinary or unusual circumstances arising in the international affairs of the Government." The President specifically stressed the need to participate in international trade fairs, where the Russians had achieved marked success in advertising their way of life through their products. Then the President said:

In the cultural and artistic fields as well we need greater resources to assist and encourage private musical, dramatic, and other cultural groups to go forth and demonstrate that America too can lay claim to high cultural and artistic accomplishments.

In the 4 years that have elapsed since then, 111 attractions have been sent to 89 countries by the United States. Miracles have been accomplished by the modest sums allocated for this program. The New York Times recently noted that the 1959 allocation for the program is a mere \$2,415,000, while a single intercontinental ballistic missile costs \$2 million. At the conclusion of my remarks I shall include a brilliant review of this program and other cultural activities of the Federal Government which was carried in the New York Times in December 1958.

Unlike the Fulbright and Smith-Mundt Acts which have seen the exchange of some 35,000 students between the United States and other countries, the lack of a provision for reciprocity in Public Law 860, 84th Congress has seriously hampered our relations with other countries. The amendment I am sponsoring is necessary to demonstrate that the United States is interested, and deeply so, in the cultural and artistic achievements of other countries. At the present time the box office is the final arbiter of the cultural attractions which are seen in our country.

As a result, the American public sees many artists from Europe and the Soviet Union, but very few from Asia despite the Orient's long and rich cultural heritage.

The amendment which I am offering, and which Representative FRANK THOMPSON is offering in the House, will correct this situation.

American cultural isolation goes deeper than ignorance of foreign languages. Malvina Lindsay, writing in the Washington Post of October 20, 1958, declared:

Many Americans, young and old, are reluctant to come out of their cultural shells, to use their opportunities for informing themselves about foreign peoples. Yet unless they do this, they may not be able to preserve their own way of life, now being so widely challenged.

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Most observers would agree, I am sure, that a cultural exchange program which includes the arts can be of great value in developing understanding between people.

Recently, Marian Anderson visited Asia under the aegis of the Humphrey-Thompson Act. She was received everywhere with enthusiastic acclaim. She did more than any other single person in recent years to change the unfriendly image of America which is held by many people abroad. She especially enhanced our prestige in Asia.

On the other hand, one of the great artists of Asia came to this country recently under commercial sponsorship and was a boxoffice flop. He went away feeling that Americans did not understand him or the people of his country.

These are some of the things that have persuaded me that my proposed amendment to Public Law 860, 84th Congress, is necessary and important. Representative THOMPSON of New Jersey has offered a companion bill in the House.

I turn now to the development of the arts here in the United States.

In his 1955 state of the Union message, President Eisenhower proposed the creation of a Federal Advisory Commission on the Arts. President Eisenhower declared:

In the advancement of the various activities which will make our civilization endure and flourish, the Federal Government should do more to give official recognition to the importance of the arts and other cultural activities. I shall recommend the establishment of a Federal Advisory Commission on the Arts within the Department of Health, Education, and Welfare to advise the Federal Government on ways to encourage artistic and cultural endeavor and appreciation.

In the 84th Congress, pursuant to the President's request, a number of bills were introduced in both the House and Senate to achieve this result. Following hearing by the Senate Labor and Public Welfare Committee, S. 3419 was favorably reported—Report No. 2409—on July 3, 1956. The bill passed the Senate on July 6, 1956, but was defeated in the House Education and Labor Committee.

In an effort to meet objections raised by the House committee, consultations have been held with interested Members in both Houses. Consequently, the bill I introduce today is a slightly revised version of S. 3419 as it passed the Senate under the inspired leadership of Senator Herbert H. Lehman and with the cooperation of Senator H. Alexander Smith.

I ask unanimous consent to have printed at this point in the RECORD an excerpt from the letter written by Secretary of Health, Education, and Welfare M. B. Folsom, under date of March 25, 1957, which accompanied one draft of the bill to Congress:

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

literature. Indeed, the verdict of history judges a civilization most definitively by its cultivation of the arts. Encouragement of the arts is a demonstration to itself and to others, of a nation's belief in its spiritual resources and creative destiny.

The United States, despite its relative youth, is rich in artistic achievement. We have contributed new power of design in architecture, created new rhythms in music, and developed a literature which commands worldwide attention. In the theater and film, and in the ancient form of the dance we show a creative vitality. Our great museums, art galleries, and orchestras are the pride of our people. Yet, millions of Americans know painting and sculpture only in reproductions, and there are vast areas where living theater is never seen. We must search for new ways to bring the enjoyment of and participation in the arts to more of our people.

We must also find ways to stimulate our talented persons in the arts. We have at our disposal many persons of talent and genius, whose gifts need the encouragement and recognition which persons in other comparable fields enjoy. The artist, the actor, and the writer must exercise crafts which are mastered only after long technical training—a training equally as arduous as that which the doctor, the chemist, or the astronomer must undergo. To a great extent workers in the arts have had to find their own facilities which, except in rare and widely scattered instances, do not compare in availability, number, or quality with those available to other fields.

Philanthropic individuals and private and public organizations have provided strong support for the arts and properly so. On the other hand, our National Government has not lent its encouragement and prestige to the arts to the extent that is feasible and desirable.

Mr. HUMPHREY. Mr. President, I am pleased to announce that Senators MURRAY, DOUGLAS, and JAVITS have joined me in offering this bill to the Senate as a bipartisan measure. In the House of Representatives a companion bill has been introduced by Representative FRANK THOMPSON, JR., of New Jersey, Representative EMANUEL CELLER, of New York, and Representative STUYVESANT WAINWRIGHT, of New York. I want to pay special tribute to Congressman FRANK THOMPSON, JR., of New Jersey for his splendid initiative in the whole field of the arts. As a result of his prodigious efforts there is a new understanding of this subject in the Congress today.

I ask unanimous consent that a brilliant article in the New York Times of December 8, 1958, by Milton Bracker, entitled "U.S. Role in the Arts Is Found To Have Increased in Decade Since World War II," be inserted at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. ROLE IN THE ARTS IS FOUND TO HAVE INCREASED IN DECADE SINCE WORLD WAR II
(By Milton Bracker)

In Washington a bill authorizing a National Cultural Center has been approved by Congress and signed by the President. The 9.4-acre site is there and some day—if about \$25 million in private funds can be raised within 5 years—the building may be.

In another part of the capital a white-haired New Englander (who happened to be born in California) is paid by the Govern-

ment to serve as consultant in poetry to the Library of Congress. His name is Robert Frost. He remarked with hearty irony in an interview that "I'm there chiefly to thank the Government for recognizing our existence."

In New York preparations are being completed for the departures on January 13 of the San Francisco Ballet for the Near East; on January 17 of the Westminster Choir for Africa, and on February 23 of the Little Orchestra Society for the Far East.

AIDED BY STATE DEPARTMENT

All will be backed by State Department funds, administered by the International Cultural Exchange Service of the American National Theatre and Academy. ANTA—like the American Red Cross—is a private body holding a charter from Congress.

In St. Louis—at the City Art Museum—a show of American painting of the last 25 years is being assembled for a tour to open in Italy next September. About 25 artists will be represented, in what one non-Government expert describes as potentially the "most important exhibition of American art to go abroad under Government auspices." This is a venture of the U.S. Information Agency.

In New Delhi on January 5, a new U.S. chancellery will be dedicated. It is a spectacular example of the work of a modern American architect, Edward Durell Stone, who was commissioned by the State Department through the Office of Foreign Buildings.

ANCIENT RELATIONSHIP

These disparate activities and hundreds of others, have as a common denominator the ancient relationship between the Federal Government and the arts. As it exists in the United States the relationship is virtually impossible to delineate sharply. Yet every time an American passes a coin or puts a stamp on a letter he is touched by it.

Overall truths of the relationship are hard to extract. But a month's look into many phases of it suggests the following:

There is no nationally backed opera like La Scala; no subsidized ballet like the Bolshoi; no state orchestra like the Vienna Philharmonic. Nor is there a central department or agency through which art matters are channeled. Within a given field—music, for example—even well-informed leaders are likely to confront each other with, "Oh, you mean the other committee," when discussing the myriad Government subdivisions that back one or more musical projects.

In recent years, impelled, according to some opinion, by the example of the dictatorships, this country has placed a strong emphasis on the promotion of art for export. This is often noted wryly by artists who would like to see their own particular art subsidized, or at least assisted, for domestic consumption. There is no doubt that the whole question of Government and the arts has tended to narrow into the question of the use of art as an instrument of the foreign policy of the United States in the cold war.

No matter what the Government does or does not do in relation to the arts, it is subject to a barrage of pros and cons. These concern the fear of censorship or control; the possible sponsorship of subversive art; the timeless disputes between conservatives and modernists in any art medium; and the individual or group equities of artists competing for commissions.

PARADOX AND CONTROVERSY

And this whole subject is fraught with paradox, misunderstanding, and controversy.

In Chicago, a Government subsidy amounting to about \$16,000 was announced by the hard-pressed Lyric Opera Co. But the Government that made the subsidy had its seat not on the Potomac but on the Tiber. The grant, in lire, was to be used largely for

travel expenses incurred by Italian singers hired by the Chicago company.

The triumph of Van Cliburn at the Tchaikovsky piano competition in Moscow last May is still commonly held to have been made possible by Government backing. Actually, the funds came from private sources. The Government contribution was a passport.

As for controversy, it has ranged from the political inclination of an individual artist to the design of a 3-cent stamp honoring the American poultry industry; and from the shape of a memorial on a distant beachhead to the recurrent question of whether there should be a Department of Fine Arts.

Abraham Chasins, in "Speaking of Pianists," remarks:

"American artists and intellectuals are the natural enemies of American politicians."

INCREASED LEGISLATION

Whether this is the case, the fact is that legislation by politicians presumably for the benefit of artists and intellectuals has tended to increase during the past decade. The pages of the CONGRESSIONAL RECORD are ripe with tributes to one or more of the nine muses, although the rhetoric has not been enough to forestall the death of most of the bills introduced.

In his state of the Union message in 1955, President Eisenhower asserted that the Federal Government should do more to give official recognition to the importance of the arts and other cultural activities.

He also proposed a permanent Federal Advisory Commission on the Arts, to come under the Department of Health, Education, and Welfare. In one form or another, this idea had been—and is—backed by large numbers of individual artists and their organizations. It was—and is—opposed by a few.

The proposal was passed by the Senate but died in the House. More recently there have been renewed proposals for a Department of Fine Arts, headed by a leader of Cabinet rank; for an Assistant Secretary of State for Cultural Affairs; for a U.S. Art Foundation and a National Theater.

CULTURAL AIDE NAMED

Some of these recalled the Pepper-Coffee bill of 1938, for a Bureau of Fine Arts, or even older proposals. Some are sure to be introduced in the 86th Congress. It was announced yesterday that Robert H. Thayer, former Minister to Rumania, had been appointed Special Assistant to the Secretary of State for the coordination of international, educational and cultural relations.

Representative Frank Thompson, Jr., of New Jersey is one of the most active legislators in the field. Cynics dub him a "culture vulture." The fact remains that Mr. Thompson and Senatorial cosponsors have pushed some significant projects over all the usual obstacles into law.

These include the International Cultural Exchange and Trade Fair Participation Act of 1956, which covered the Brussels Fair; the bill to establish a new national art repository in the old Patent Office Building, and the bill for the National Cultural Center.

The cosponsor of the first of these was Senator Hubert H. Humphrey of Minnesota. It authorized on a permanent basis funds for the cultural presentations program that had been established in 1954 following a special request by President Eisenhower to Congress.

ATTRACTIONS TO 89 LANDS

This has meant that in 4 years, 111 attractions—ranging from Dizzy Gillespie to the New York Philharmonic; and from Marian Anderson to "The Skin of Our Teeth"—have been sent to 89 countries. This is the program directed by Robert C. Schnitzer of ANTA, who observes that every so often some Congressman phones him to urge

the booking of the "Flathead County Glee Club." Such pressure on behalf of hometown talent (and voters) has also been brought to bear on the office of E. Allan Lightner, Jr., Deputy Assistant Secretary of State for Public Affairs.

But the criterion remains "quality, quality, quality," according to those close to Mr. Lightner. And Mr. Schnitzer says that after he explains the rigid standards of the selection panels, the Congressman invariably recedes without even threatening to have the whole program canceled. Its 1959 allocation is \$2,415,000. A single intercontinental ballistic missile cost \$2 million.

Last March 28, the bill to save the Patent House Building for an art museum became law. It was backed by Representative THOMPSON and Senators HUMPHREY and CLINTON P. ANDERSON of New Mexico. The works to be housed in the Parthenon-like structure at Seventh and F Streets include the National Collection of Fine Arts, now in the Smithsonian Institution; a national portrait gallery, and a contemporary art program.

IN AN ARTISTIC LANDMARK

The Patent Office Building was designed by Robert Mills, who did the Washington Monument. For nearly 125 years it has been one of the Capital's artistic edifices. But this is not to say that the measures sparing it from being torn down for a parking lot has automatically satisfied all those who would like to see the National Collection of Fine Arts in a home of its own.

The measure came as the culmination of a long and involved controversy over another site—on the Mall, near the Smithsonian. This was ardently desired, and ultimately obtained by proponents of the National Air Museum. The latter is temporarily housed in the Smithsonian, too. The director of one of the country's greatest museums says that the best that can be said of the Patent Office Building is that "There are walls standing." If it is to serve as a showplace of fine art, he added, "they've got to renovate the whole thing."

On the other hand, Representative THOMPSON says he has been assured by experts that the conversion is "entirely feasible." It would be paid for by the General Services Administration. But for the moment, the plan is in abeyance.

The Civil Service Commission has occupied the Patent Office Building since 1932; when the Patent Office moved to the Department of Commerce. The Civil Service Commission is scheduled to move into a new building of its own, but the building is not yet built.

SITE FOR ENTERTAINING

Thus the transfer of the National Collection of Fine Arts remains indefinitely in the future. But a large floor plan of the Patent Office Building is already on the desk of Thomas M. Beggs, director of the National Collection. He is thinking ahead, even though he knows he will have to be patient.

The National Cultural Center authorized by law September 2, would symbolize the Nation's official interest in the arts and give the President a place to entertain foreign visitors in a setting identified with both the visual and the performing arts.

As cosponsored by Senator FULBRIGHT and Representative THOMPSON, the act sets up a board including the Secretary of Health, Education, and Welfare and 15 general trustees. These have not yet been appointed. Eventually, there would also be an Advisory Committee on the Arts—similar to the one so often proposed—made up of specialists in the fields of art covered by the center.

The site is bounded by the Inner Loop Freeway, the Theodore Roosevelt Bridge approaches, Rock Creek Parkway, New Hampshire Avenue and F Street in the sector

called Foggy Bottom. But apart from obtaining the site, the Government has so far done nothing to implement the project.

And by the act's own terms, it will come to nothing if the Smithsonian Institution does not find that sufficient funds to construct the National Cultural Center have been received within 5 years.

DOWLING TO PRESS PROJECT

Once the trustees are appointed, Robert W. Dowling, chairman of the board of ANTA, is likely to take a leading role in seeing to it that the act does not come to nothing. "I have been rooting for this [the cultural center] for a long time," he said. He has felt that if the Government would give the land, private citizens should give the money.

New legislation apart, the Government's continuing activities in the arts can best be outlined under four headings. These are international exchange, the design and decoration of public building, Government collections, and coins and stamps. The four are obviously not all inclusive. For example, the chamber music programs at the Library of Congress fit none of them. But most activities can be conveniently covered by the four.

The patronage of artists for the design and decoration of public buildings, the minting of coins and the issuance of stamps, goes back to the earliest days of the Republic. The Government role as a collector began somewhat later. The Depression and the New Deal brought into being a new and still controversial concept, the use of Government funds not so much to commission specific art works as to support unemployed artists. This led to inevitable disputes over the supposed leftist propaganda painted on Government walls by artists on the Federal payroll.

As pointed out by Clarence Derwent, chairman of the National Council on the Arts and Government, the New Deal arts projects, "while productive of much fine work, fell short of the full recognition of the value of the arts to society because of the public relief aspects of the program."

Since World War II the emphasis has shifted to the utilization of the arts as an arm of diplomacy. The aim is candidly asserted: To promote competitively the free creative tendencies of a nation long accused of letting its capitalist ideology cramp artistic expression.

AMERICANS' NEW SIDE

As William Benton, former Assistant Secretary of State for Public Affairs, put it in the early stages of the program, it was to show that Americans, "accused throughout the world of being a materialistic, money-mad race, without interest in art and without appreciation of artists or music, have a side in our personality as a race other than materialism."

Or, as Mr. Schnitzer put it more recently, with regard to the performing arts, "It is propaganda—in the best sense. We are saying, 'Here are some artists whose work we enjoy' and we hope you'll enjoy it, too."

Actually, the State Department's Division of Cultural Relations dates to July 28, 1938. Three years later the first cultural officers were assigned to American diplomatic missions. In 1946 a major step was taken with the passage of legislation presented by Senator J. WILLIAM FULBRIGHT, Democrat, of Arkansas. Becoming operative in 1948, the Fulbright plan draws on foreign currencies owed to or owned by the United States, chiefly for war surpluses, for a cooperative program of educational exchange.

Two exhibitions jointly called "Fulbright Painters," currently crossing the country, indicate how this program may operate to the benefit of individual artists. The shows are made up of samples of the work of can-

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didates who qualified under the Fulbright Act to pursue their studies abroad.

TOURS BEGAN IN OCTOBER

One of the exhibitions opened at the Whitney Museum of Modern Art here on September 17. Both sections began tours in October. These were organized by the traveling exhibits service of the Smithsonian Institution in cooperation with the Institute of International Education. By contract with the State Department, the I.I.E. administers the Fulbright student exchange.

Here is a case, then, where a Government program has artistic implications both abroad, where the artists studied, and at home, where their work is being shown. The Fulbright scholarships cover all fields of study and that the painters represent only a small fraction of those who win them.

On the most sensitive level of exchange, in view of current East-West relations, there is the new status for American artists visiting the Soviet Union afforded by the agreement announced in Washington last January. This was signed by the State Department's William S. B. Lacy and the Soviet Ambassador at that time, Georgi N. Zaroubin, who died on November 24.

The accord did not initiate exchanges between the United States and the U.S.S.R. but facilitated them and gave them new importance. Long negotiations by Sol Hurok to bring the Moiseyev dancers here had preceded their arrival, after the conclusion of the Lacy-Zaroubin agreement. Similarly the "Porgy and Bess" company had reached Moscow on its own; Emil Gilels and David Oistrakh had played here; and the Boston Symphony went to Moscow in 1956 under the President's program as run by ANTA for the State Department.

But whereas the ANTA artists had only a "foot in the door" before the accord, according to one spokesman, the pact "opened the door wider" and gave official recognition to the visit of the Philadelphia Orchestra last May and June. This tour also had already been arranged when the accord was reached. But its auspices were enhanced by the new diplomatic understanding.

On the other hand, some cultural exchange experts see in the Lacy-Zaroubin accord an implicit quid pro quo that they regard as restrictive. These sources—within the State Department—feel that a generally freer and broader exchange is more to the point than a 50-50 balance of trade in terms of traveling artists.

Distinct from the State Department's direct role in the exchange program, there are the manifold activities of the U.S. Information Agency. Since 1953, U.S.I.A. has had a major responsibility in the presentation of varied aspects of American life abroad.

This takes in the dissemination of both live and recorded music. For example, the Symphony of the Air not only played in Tokyo; a film of its tour has been popular on Japanese television. The entire Voice of America program comes under U.S.I.A. and "Music U.S.A." is broadcast 7 nights a week, 52 weeks a year.

ART SHOW IN TURKEY

Meanwhile, the fine arts section of the exhibits division of the agency has a show called "Nine Generations of American Art" in Turkey. Another show, "Twentieth Century Highlights of American Painting," involved the distribution of 40 color reproductions virtually all over the world.

U.S.I.A. has also arranged small overseas shows of American serigraphy (silk screen art) and stained glass. In prospect are an exhibition of prints being assembled by the Brooklyn Museum, due to go abroad in March or April, and the collection of modern painting being assembled by the City Art Museum of St. Louis.

The pertinent background fact in connection with the latter project is that early in

1956, U.S.I.A. withdrew sponsorship of three collections of paintings that were to have been sent abroad. The trouble started with denunciation of a show called "Sport in Art" by the Dallas Patriotic Council.

This raised a flurry over subversive art and underlined the vulnerability of Government to political criticism whenever it was the sponsor of art activities.

Although there remain 9 months before the St. Louis collection starts on its way, such criticism is not expected this time. A museum man associated with the choice of some of the paintings said, "I've been assured that there will be no censorship." An interested official of U.S.I.A. crosses his fingers when the question is raised.

The general implication is that the tensions of the period associated with the late Senator Joseph R. McCarthy, Republican of Wisconsin, have been eased. But Government endeavor in any field of the arts remains subject to attack at almost any moment.

The design and decoration of public buildings is a timeless function of Government. On November 23, the General Services Administration announced selection of a site west of Foley Square for what will be the largest Federal office building outside the District of Columbia. Recently, there has been increasing awareness that American buildings abroad could symbolize the best of the contemporary American tradition.

Assignments to architects are made through the Office of Foreign Buildings of the State Department. The Department is completing the 5th year of a 10-year, \$200 million program involving new embassies and consulates on four continents.

There is an advisory committee of three leading architects appointed on a rotational basis. The Department also has on hand about 800 brochures from architects. It makes its selection on the basis of the advice of the committee, on what it knows of the other architects, and on the special conditions applying in the country where the building is to be erected.

Thus Mr. Stone was commissioned to do the New Delhi chancellery. He was also architect of the U.S. pavilion at the Brussels Fair. In the case of the new embassy in London, a different technique of choice was used. The department arranged a competition among eight American architects and a seven-man jury chose Eero Saarinen of Michigan as the winner.

An important agency, particularly with regard to public monuments and sculpture, is the Commission of Fine Arts, dating to 1910. When Congress created the American Battle Monuments Commission in 1923, it was provided that any design or material for a memorial had to be approved by the Commission of Fine Arts.

MINISTRY WAS OPPOSED

Moreover, pursuant to a Presidential request of January 1951, the commission was the agency chosen to make the first and only survey of all the Government's activities in the field of art. The report was submitted in 1953. In an introduction, preceding excerpts from testimony of all Government agencies involved, the commission said:

"It is a source of the deepest satisfaction to members of the commission that here in this fortunate country we have freedom to choose what seems most worthwhile in the cultural life of our time, and that the artist, in creating works of art, is free to express his own inner convictions without compulsion on the part of the state or other outside forces.

"Here we have no centralized control of art activities on the part of the Government, such as exists in many other countries."

And the commission went on to oppose efforts to create a Ministry of Fine Arts or to combine in a single bureau art activities

now carried on effectively in a number of Government agencies.

Nevertheless, the commission—headed since 1950 by David E. Finley, who was until 1956 also director of the National Gallery of Art—is occasionally charged with exercising arbitrary influence. It has been asserted that the seven-man unit has a stranglehold on the design and decoration of all Federal buildings and monuments in Washington, and on the design of battle monuments anywhere.

Critics of the commission have insisted that it hews to an academic line and has facilitated commissions for the generally conservative members of the National Sculpture Society as against nonmember sculptors.

A Commission source, aware of such charges, points out that since not only authorization, but also appropriation, for any monument stems from Congress, it is to be expected that the Commission's advice should follow conservative lines. One thing rarely said of Congressmen, the source suggests, is that they are personally inclined toward advanced tendencies in art.

Nevertheless, the supposed grip of the National Sculpture Society on Government commissions invariably comes up whenever the larger question of the Government and the arts is raised.

AGAINST CENTRALIZATION

From 1951 to 1954, the society was headed by Wheeler Williams, who since 1957 has been president of the American Artists Professional League. Both groups strongly oppose any centralization of government art activities.

In a leaflet called "War Cry," the league declares, "We must continue our battle to see that art is not socialized under political bureaucracy."

The society and the league remain firmly aloof from groups like the Committee on Government and Art, and the National Council on the Arts and Government. These have backed legislation pointing toward a permanent advisory council for the arts.

According to Adair S. Hardin, president of the National Sculpture Society, "The minute there comes a Federal bureau with a capacity to advise, some freedom is going to be dissipated."

The Committee on Government and Art, founded in 1948 and made up of representatives of 12 national organizations, including the younger and less influential Sculptors Guild, declared in a statement of principles on May 25, 1956:

"We believe that governmental art policies should represent broad artistic viewpoints, and not the predominance of any particular school or schools."

"In order to aid in making available to the Government the best experience and knowledge of the art world, we believe that there should be advisory bodies composed chiefly of professionals in the respective fields; and that art organizations in these fields should have a voice in nominating the members of these bodies."

SEVEN FIELDS REPRESENTED

The National Council on the Arts and Government consists of individual representatives of seven major art fields. In general, it has been aligned with the position of the Committee on Government and Art, whose chairman is Lloyd Goodrich, of the Whitney Museum.

Government art collections, which symbolize the Nation's official interest in the preservation and formal display of accrued treasures, include the National Gallery of Art, the National Collection of Fine Arts and the Freer Gallery.

In his invaluable "Government and Art," Prof. Ralph Purcell writes that it was not until 1906 that the Government began its role as a collector. He notes that when the

British burned the Capitol in 1814, the only two paintings owned by the United States—gifts of Louis XVI—were destroyed.

In 1906, a group of paintings known as the Johnston collection was given to the Government by Harriet Lane Johnston, niece of President James Buchanan and mistress of the White House during his administration.

The condition was that the small but valuable collection should be placed in a National Gallery of Art, when one was established. Professor Purcell recounts how a "friendly court action was instituted to determine if the art collection already in the Smithsonian Institution would legally constitute a National Gallery of Art."

The court ruled that it would. Thus the early Smithsonian collection, enhanced by the Johnston gift, was newly constituted as the National Gallery of Art.

Oddly enough, the art in the Smithsonian was to lose that title after all. In 1937, when the Mellon collection became the Nation's foremost, the title was transferred to it. The National Gallery of Art now comprises the original Mellon bequest, and subsequent additions.

The Smithsonian art was renamed the National Collection of Fine Arts. It is the art that is to be housed in the old Patent Office Building under the recent legislation. Pending settlement in its new home, the national collection has about 500 portraits and pieces of sculpture on loan to public buildings, including the White House and the chambers of the Chief Justice.

The Freer Gallery of Art, devoted principally to oriental fine arts and the works of Whistler, was the gift of Charles L. Freer in 1906. The gallery was not built until 1920; and the collection was opened to the public as a unit of the National Collection of Fine Arts. The Freer Gallery is administered by the National Collection, of which it is considered a unit, and does not have a separate board of trustees, like the National Gallery of Art.

MEDALS UNDER MINT

Coins and special medals come under the Bureau of the Mint. By law, no regular coin may have its design changed more than once in 25 years. The mint traditionally opposes commemorative coins, although not always successfully.

When a piece of medallic art is authorized, the mint may commission an artist directly, have a small competition (as with the Washington quarter in 1932) or a nationwide one (as with the Jefferson nickel in 1938). It may also utilize its own artists.

This it prefers, particularly in the case of coins, where distribution of the design and maintenance of rims higher than the design's highest point, are technical essentials.

The Commission of Fine Arts acts in an advisory capacity to the mint. But the director of the Bureau is ultimately responsible for the project, subject only to approval by the Secretary of the Treasury.

STAMP ART IMPROVED

The situation with stamps is somewhat different because of the vast and steadily increasing interest in United States commemorative issues. For many years, these were subject to strong criticism from philatelists, particularly as compared artistically with certain foreign stamps, such as the French.

On March 26, 1957, a seven-member Citizens' Stamp Advisory Committee was established. It has three artist members. Final decision on a new stamp rests with the Postmaster General. Philatelic and art circles generally agree that the pictorial quality of the commemoratives has tended to improve; although controversies over individual stamps continue.

And, indeed, the controversies continue over virtually every phase of the complex

Government-Arts relationship in a democracy whose Puritan intellectual heritage started it off with what has been called (by John A. Kouwenhoven, among others) an antiaesthetic bias.

The PRESIDING OFFICER. The bills will be received and appropriately referred.

The bills, introduced by Mr. HUMPHREY, were received, read twice by their titles, and referred as indicated:

By Mr. HUMPHREY:

S. 446. A bill to amend the International Cultural Exchange and Trade Fair and Participation Act of 1956 to authorize the President to provide for participation by foreign governments and citizens of other countries in cultural and other activities in the United States, and for other purposes; to the Committee on Foreign Relations.

By Mr. HUMPHREY (for himself, Mr. MURRAY, Mr. DOUGLAS, and Mr. JAVITS):

S. 447. A bill to provide for the establishment of a Federal Advisory Council on the Arts to assist in the growth and development of the fine arts in the United States; to the Committee on Labor and Public Welfare.

AMENDMENT OF SOCIAL SECURITY ACT, TO REMOVE LIMITATION ON AMOUNT OF OUTSIDE INCOME

Mr. FULBRIGHT. Mr. President, I introduce for appropriate reference a bill to amend title II of the Social Security Act to remove the existing limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder.

It is my view that this limitation is unrealistic and absurd and should be removed by the Congress. In that connection, Mr. President, I ask unanimous consent that an article on this subject, by Mr. J. A. Livingston, appearing in the Washington Post of January 14, 1959, be printed at this point in the RECORD.

In this article, Mr. Livingston very pointedly outlines the absurdities of the law as it is now constituted.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the article will be printed in the RECORD.

The bill (S. 453) to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder, introduced by Mr. FULBRIGHT, was received, read twice by its title, and referred to the Committee on Finance.

The article presented by Mr. FULBRIGHT is as follows:

SOCIAL SECURITY PENALIZES THOSE WHO WORK (By J. A. Livingston)

"Don't get out of humor with me for writing you again and don't be annoyed when I ask you not to use my name. When you have time please write another article about social security," writes Mrs. E. S. M.

"As a working woman (a widow), I am most concerned with the limitation on my earnings. People in the Department of Health, Education, and Welfare insist they don't restrict my earnings. Yet they withhold social security checks when I earn more than \$1,200 a year.

"I wrote you sometime ago that when I earned \$1,718, or \$518 over the limit, seven

social security checks amounting to \$630.70 were held back. I was out of pocket \$112.70.

"I have been with my present firm part-time for 3 years. When my boss got me a 10-cent-an-hour raise without telling me, it pushed my income over the \$1,200 mark.

"I am now in line for a raise, but I shall not take it. I'll lose more than I'll get. People like to feel their work is appreciated. A raise in salary is the way a boss shows appreciation. But that is not for those on social security.

"Women who live in the Hotel Plaza in New York, or the Barclay in Philadelphia, or the Sheraton Park in Washington collect social security benefits because they get their income from dividends or bond coupons. Some of them need their social security checks like an extra hole in the head. But I need every cent I can possibly earn, and I'm not allowed to earn what I can."

Mrs. M. can't quarrel with me. Eddie Cantor and his wife can roll up to a social security office in a Cadillac and collect a check, even though the month before Cantor appeared on a TV show and earned a reported \$2,000. A man or a woman can qualify for social security on a \$100,000 income if the income comes from dividends, bonds, rents, or royalties. The law is screwy. See if you can understand it.

The law penalizes the steady worker, the low-income earner. If you earn \$1,200, you can collect your benefits in any 1 year in full. But if you earn \$1,200.01, you lose 1 month's benefits.

You can collect a benefit in any month in which you earn no more than \$100 a month. (Formerly it was \$80 a month.) Thus, if you earn \$4,000 in 1 month and \$100 per month in the other 11 months, you can collect 11 pension checks even though your total earnings are \$5,100. But if your total earnings come to \$2,080.01, and in every month you earn more than \$100, you can't collect a single benefit check.

Why? Because for each \$80 or fraction thereof above \$1,200, you lose one benefit check. And if your yearly earnings hit \$1,280.01, you lose two checks; earnings of \$2,080.01 would snatch away all checks because in every month you earned more than \$100. (It's hard to believe the human mind could have devised anything so complex.)

The Department of Health, Education, and Welfare is painfully and tortuously aware of the strings Congress has attached to benefit payments. It has prepared a memorandum which tries to placate the justifiably disgruntled:

"Since the old-age and survivors insurance program is designed to insure people against loss of earnings from work, it is appropriate that the retirement test take into account only an individual's earnings. It is a test of whether the worker has retired—not whether he is in need. By paying benefits without regard to other resources an individual may have built up during his working lifetime the old-age and survivors insurance system encourages private savings."

And, similarly, it discourages work.

When the Government has to defend a policy with such perverted logic, it's time to change the law. The cost of eliminating the retirement test is estimated at \$2 to \$3 billion a year, perhaps more. It's argued we can't afford it. As I see it, we can't afford the law as it stands.

If we can't pay old-age pensions as a matter of right, then we can't afford to pay the rich while penalizing the poor.

Congress should apply a straight income test, not a retirement test. If persons who are forced to work can't collect social security, then the well-off who don't have to work should not collect it.

Thank you, Mrs. M., for prodding me—and, I hope, the 86th Congress.